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SUPREME COURT, U.S.
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No. 00-1543

In the Supreme Court of the United States

FESTO CORPORATION, PETITIONER

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., ET AL.

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE SUPPORTING VACATUR AND REMAND

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QUESTIONS PRESENTED

The doctrine of equivalents provides that a product or process that does not literally infringe upon the express terms of a patent claim may nevertheless be found to infringe if there is an "equivalence" between the elements of the accused product or process and the claimed elements of the patented invention. *Warner-Jenkinson Co.* v. *Hilton Davis Chem. Co.*, 520 U.S. 17, 21 (1997). That doctrine is limited by the concept of prosecution history estoppel, which recognizes that, if a patent claim is amended during patent prosecution, the amendment may curtail application of the doctrine of equivalents to the amended claim. See *id.* at 30-34. The questions presented in this case are:

1. Whether an amendment of a patent claim that narrows the scope of the claim for any reason related to the statutory requirements for a patent gives rise to prosecution history estoppel with respect to the amended portion of the claim.

2. Whether an amendment of a patent claim that gives rise to prosecution history estoppel completely precludes invocation of the doctrine of equivalents for the amended portion of the claim.

TABLE OF CONTENTS

	Page
Interest of the United States	1
Statement	2
A. The doctrine of equivalents and the concept of prosecution history estoppel	3
B. The relevant facts	5
C. The pertinent proceedings	7
Summary of argument	9
Argument:	
The court of appeals correctly ruled that a patent claim amendment that narrows the scope of a claim gives rise to prosecution history estoppel, but the court erred in holding that prosecution history estoppel completely precludes application of the doctrine of equivalents	11
A. An amendment of a patent claim that narrows the scope of a claim for reasons related to the statutory requirements for a patent gives rise to prosecution history estoppel with respect to the amended portion of the claim	13
B. An amendment of a patent claim that gives rise to prosecution history estoppel presumptively precludes invocation of the doctrine of equivalents for the amended portion of the claim	17
C. The court of appeals' judgment should be vacated and the case should be remanded to the district court for further proceedings	28
Conclusion	30

TABLE OF AUTHORITIES

Cases:

ACLARA Biosciences, Inc. v. *Caliper Techs. Corp.*, 125 F. Supp. 2d 391 (N.D. Cal. 2000) 25

Cases—Continued: Page

Crawford v. *Heysinger*, 123 U.S. 589 (1887) 14
Cybor Corp. v. *FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) 15
Exhibit Supply Co. v. *Ace Patents Corp.*, 315 U.S. 126 (1942) 4, 14, 15, 24, 25
Festo Corp. v. *Shoketsu Kinzoku Kogyo Kabushiki Co.*, 187 F.3d 1381 (Fed. Cir. 1999) 2
Goodyear Dental Vulcanite Co. v. *Davis*, 102 U.S. 222 (1880) 22
Graco Children's Prods., Inc. v. *Regalo Int'l, LLC*, No. 97-CV-6885, 2001 WL 392886 (E.D. Pa. Apr. 17, 2001) 16
Graver Tank & Mfg. Co. v. *Linde Air Prods. Co.*, 339 U.S. 605 (1950) 3, 26
Hester Indus., Inc. v. *Stein, Inc.*, 142 F.3d 1472 (Fed. Cir.), cert. denied, 525 U.S. 947 (1998) 17
Honeywell Int'l Inc. v. *Hamilton Sundstrand Corp.*, No. Civ. A 99-309 GMS, 2001 WL 66348 (D. Del. Jan. 8, 2001) 16
Hughes Aircraft Co. v. *United States*:
717 F.2d 1351 (Fed. Cir. 1983) 18
140 F.3d 1470, reh'g denied over dissents, 148 F.3d 1384 (Fed. Cir. 1998), cert. denied, 525 U.S. 1177 (1999) 19
Hurlbut v. *Schillinger*, 130 U.S. 456 (1889) 22
Keystone Driller Co. v. *Northwest Eng'g Corp.*, 294 U.S. 42 (1935) 14
Kinzenbaw v. *Deere & Co.*, 741 F.2d 383 (Fed. Cir. 1984), cert. denied, 470 U.S. 1004 (1985) 18
Leggett v. *Avery*, 101 U.S. 256 (1880) 17
Litton Sys., Inc. v. *Honeywell Inc.*, 238 F.3d 1376 (Fed. Cir.), petition for cert. pending, No. 00-1617 (filed Apr. 23, 2001) 16
Lockheed Martin Corp. v. *Space Sys./Loral, Inc.*, 249 F.3d 1314 (Fed. Cir. 2001) 16

Cases—Continued: Page

Markman v. *Westview Instruments, Inc.*, 517 U.S. 370 (1996) 27
McClain v. *Ortmayer*, 141 U.S. 419 (1891) 23
Merrill v. *Yeomans*, 94 U.S. 568 (1877) 23
Pickholtz v. *Rainbow Techs., Inc.*, 125 F. Supp. 2d 1156 (N.D. Cal. 2000) 16
Royal Typewriter Co. v. *Remington Rand, Inc.*, 168 F.2d 691 (2d Cir.), cert. denied, 335 U.S. 825 (1948) 26
Schriber-Schroth Co. v. *Cleveland Trust Co.*, 311 U.S. 211 (1940) 4
Seattle Box Co. v. *Industrial Crating & Packing, Inc.*, 731 F.2d 818 (Fed. Cir. 1984) 17
Shoketsu Kinzoku Kogyo Kabushiki Co. v. *Festo Corp.*:
520 U.S. 1111 (1997) 2
187 F.3d 1381 (Fed. Cir. 1999) 2
Smith v. *Magic City Kennel Club, Inc.*, 282 U.S. 784 (1931) 14
SRAM Corp. v. *AD-II Eng'g, Inc.*, No. 00 C 6675, 2001 WL 817857 (N.D. Ill. July 9, 2001) 16
TM Patents, LLP v. *IBM Corp.*, 136 F. Supp. 2d 209 (S.D.N.Y. 2001) 16
Turbocare Div. v. *General Elec. Co.*, No. 00-1349 (Fed. Cir. Aug. 29, 2001) 15-16
United States v. *Hughes Aircraft Co.*, 525 U.S. 1177 (1999) 19
Vitronics Corp. v. *Conceptronic, Inc.*, 90 F.3d 1576 (Fed. Cir. 1996) 23
Warner-Jenkinson Co. v. *Hilton Davis Chem. Co.*, 520 U.S. 17 (1997) ..... *passim*
Zletz, In re, 893 F.2d 319 (Fed. Cir. 1989) 21

Constitution and statutes:

	Page
U.S. Const. Art. I, § 8, Cl. 8 (Patent Clause)	1
35 U.S.C. 112	6, 11, 23
35 U.S.C. 131 (1994 & Supp. V 1999)	1
35 U.S.C. 252 (1994 & Supp. V 1999)	17

Miscellaneous:

Donald Chisum, *The Scope Of Protection For Patents After The Supreme Cour'ts Warner-Jenkinson Decision: The Fair Protection-Certainty Conundrum*, 14 Santa Clara Computer & High Tech. L.J. 1 (1998) 13

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INTEREST OF THE UNITED STATES

Pursuant to the Patent Clause of the Constitution, U.S. Const. Art. I, § 8, Cl. 8, Congress has charged the United States Patent and Trademark Office (PTO), an agency of the Department of Commerce, with responsibility for examining all patent applications to ensure that they satisfy the statutory conditions for patentability. See 35 U.S.C. 131 (1994 & Supp. V 1999). In addition, the United States is regularly engaged in litigation over the validity and scope of patents, as a patent holder and as a defendant in infringement actions. The United States accordingly has a strong interest, embracing a number of perspectives, in a stable, predictable, and efficient patent system. The United States has a particular interest in ensuring that

the doctrine of equivalents and the related concept of prosecution history estoppel provide both a fair scope of patent protection and sufficient certainty of a patent's limits to protect legitimate expectations while promoting competition and innovation.

STATEMENT

Petitioner Festo Corporation commenced a civil action in the United States District Court for the District of Massachusetts alleging that respondents had infringed two United States patents that Festo owns. Festo asserted, among other theories, infringement under the doctrine of equivalents. See Pet. App. 3a. The district court concluded that respondents had infringed the patents, *id.* at 208a-209a, and the United States Court of Appeals for the Federal Circuit affirmed the district court's judgment, *id.* at 190a-207a. This Court vacated the court of appeals' judgment and remanded the case for further consideration in light of its decision in *Warner-Jenkinson Co.* v. *Hilton Davis Chemical Co.*, 520 U.S. 17 (1997). See *Shoketsu Kinzoku Kogyo Kabushiki Co.* v. *Festo Corp.*, 520 U.S. 1111 (1997).

On remand, the court of appeals affirmed the district court's judgment in part and vacated and remanded in part. Pet. App. 156a-189a. The court of appeals then granted a petition for rehearing en banc before 12 judges of that court on five specific issues relating to the doctrine of equivalents and the concept of prosecution history estoppel. *Festo Corp.* v. *Shoketsu Kinzoku Kogyo Kabushiki Co.*, 187 F.3d 1381 (Fed. Cir. 1999). Based on its resolution of those issues, the en banc court reversed the district court's judgment of infringement. Pet. App. 1a-56a. Six of the court of appeals judges wrote separately. See *id.* at 56a-64a (Plager, J., concurring); *id.* at 64a-69a (Lourie, J., concurring); *id.* at 69a-111a (Michel, J., concurring in part and dissenting in part); *id.* at 111a-113a (Rader, J., concurring in part and dissenting in part); *id.* at 113a-131a (Linn, J., concurring in part and dissenting in part); *id.* at 131a-155a (Newman, J., concurring in part and dissenting in part).

A. The Doctrine Of Equivalents And The Concept Of Prosecution History Estoppel

This Court's decision in *Warner-Jenkinson* sets out the central principles that govern the doctrine of equivalents. "Under this doctrine, a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." 520 U.S. at 21. "What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case." *Id.* at 24 (quoting also *Graver Tank & Mfg. Co.* v. *Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950)).

The Court expressed concern in *Warner-Jenkinson* that the doctrine of equivalents, as it had come to be applied before that decision, had "taken on a life of its own, unbounded by the patent claims." 520 U.S. at 28-29. The Court observed that unbridled application of the doctrine conflicts with "the definitional and public-notice functions of the statutory claiming requirement." *Id.* at 29. It responded to that conflict by making clear that "[e]ach element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine of equivalents must be applied to individual elements of the claim, not to the

invention as a whole." *Ibid.* Furthermore, the Court emphasized that "[i]t is important to ensure that the application of the doctrine, even as to an individual element, is not allowed such broad play as to effectively eliminate that element in its entirety." *Ibid.*

The Court additionally recognized that the doctrine of equivalents is constrained by "a well-established limit on nonliteral infringement, known variously as 'prosecution history estoppel' and 'file wrapper estoppel.'" *Warner-Jenkinson*, 520 U.S. at 30. That concept rests on the understanding that, if a patent applicant narrows the scope of patent protection by claim amendments or other actions during the proceedings before the PTO to obtain a patent, the patent holder should not be allowed to argue, in a subsequent infringement action, that the disclaimed subject matter is equivalent to that which the applicant had actually claimed in its narrowing amendment. See *id.* at 30-34; *Schriber-Schroth Co.* v. *Cleveland Trust Co.*, 311 U.S. 211, 220-221 (1940).

The Court noted that prosecution history estoppel most frequently comes into play when the applicant, in order to overcome a PTO patent examiner's rejections based on references to the prior art, narrows a portion of the applicant's original claim and thereby effectively disavows that the subject matter excluded by the narrower claim is equivalent to that claim. See 520 U.S. at 31 & n.5 (citing *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 U.S. 126 (1942), and other examples). But not every amendment gives rise to prosecution history estoppel. "Where the reason for the change was not related to avoiding the prior art, the change may introduce a new element, but it does not necessarily preclude infringement by equivalents of that element." *Id.* at 33. The Court "place[d] the burden on the patent

holder to establish the reason for an amendment required during patent prosecution." *Ibid.* Where the patent holder fails to establish an explanation, a district court "should presume that the patent applicant had a substantial reason related to patentability for including the limiting element added by amendment" and "prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Ibid.*

B. The Relevant Facts

Festo owns the Stoll and Carroll patents, which disclose magnetic rodless cylinder assemblies. The claimed devices employ a piston on the inside of a cylinder, which moves in response to fluid under pressure, and a sleeve on the outside of the cylinder, which is magnetically coupled to the piston. Pet. App. 33a. The magnetic attraction between the sleeve and the piston causes the sleeve to follow the piston as it moves along the inside of the cylinder, thus enabling the sleeve to transport articles on a conveying system. See *ibid.*

Claim 1 of the Stoll patent and Claim 9 of the Carroll patent describe the relevant features of the devices. See Pet. App. 31a-39a. Each of those claims discloses, among other elements, a pair of sealing rings on the piston, having a lip on only one side, which contain fluid flow and exclude impurities. *Id.* at 34a-35a, 37a. In addition, Claim 1 of the Stoll patent discloses a sleeve made of a magnetizable material. *Id.* at 34a. Respondents' accused devices differ in two respects. Those devices employ a single two-way sealing ring, having a lip on both sides, which seals against fluid flow on both sides of the ring. *Id.* at 38a. In addition, the outer portion of the sleeve in respondents' accused devices is made of an aluminum alloy, a material that is not magnetizable. *Id.* at 38a-39a.

Claim 1 of the Stoll patent was amended during prosecution. Claim 1 originally recited "[a] linear motor for use in a conveying system" that included "a piston which is slidable in said tubular part and which has sealing means at each end," and a piston and drive assembly "each carrying a drive magnet arrangement in the form of a hollow cylindrical assembly." Pet. App. 39a. The patent examiner rejected that claim, as well as the other claims contained in the Stoll application, under 35 U.S.C. 112, because the "exact method of operation is unclear." Pet. App. 40a. The applicant amended its claims, reciting, among other things, the sealing ring structure and a sleeve of magnetizable material. *Ibid.* The applicant also stated, in accompanying remarks, that the sealing ring structure made the amended claims distinguishable from prior art references that the patent examiner had identified as possibly pertinent. *Id.* at 40a-41a. The patent examiner allowed the amended claims. *Id.* at 41a.

Claim 9 of the Carroll patent was also amended during patent prosecution, during a reexamination proceeding. Claim 1 of the original Carroll patent did not recite sealing rings, but disclosed them in the written description portion of the specification. Pet. App. 42a. The applicant thereafter submitted the patent for reexamination in light of a German prior art reference that disclosed a similar device having several of the claimed features, including a pair of sealing rings. *Ibid.* During the reexamination proceeding, the applicant canceled Claim 1 and added Claim 9, which explicitly recited a sealing ring structure that, according to the applicant, was distinguishable from the prior art. *Id.* at 42a-43a. The patent examiner allowed the amended claim. *Id.* at 43a.

C. The Pertinent Proceedings

The district court granted Festo summary judgment on the ground that respondents' devices infringed upon the Carroll patent under the doctrine of equivalents. Pet. App. 43a-44a. The district court found that respondents had failed to come forward with material evidence rebutting Festo's expert testimony that the single two-way sealing ring that respondents employed in their devices was equivalent to the two sealing rings recited in the Carroll patent. *Id.* at 44a. Respondents did not argue that prosecution history estoppel applied to the Carroll patent, *id.* at 53a n.8, but they did raise that defense on summary judgment in response to Festo's argument that respondents' devices infringed upon the Stoll patent, *id.* at 43a-44a. The district court rejected the defense, and Festo's assertion that respondents infringed upon the Stoll patent was tried before a jury. *Id.* at 44a. The jury found, through a special verdict, that respondents' devices infringed upon the Stoll patent under the doctrine of equivalents. *Id.* at 44a-45a.

The court of appeals initially affirmed the district court judgment. Pet. App. 190a-211a. On remand following this Court's decision in *Warner-Jenkinson*, the court of appeals affirmed in part. *Id.* at 156a-189a. The en banc court ultimately reversed the district court's decision in its entirety. *Id.* at 1a-56a. The court decided the appeal by addressing five questions "relating to the doctrine of equivalents that remained in the wake of" *Warner Jenkinson*, see *id.* at 2a-4a, 8a-32a, and then applying its legal determinations to the relevant facts, *id.* at 4a, 45a-56a.

The court concluded in response to Question 1 that an amendment of a patent claim that narrows the scope of

a claim for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended portion of the claim. Pet. App. 3a, 8a-11a. The court determined in response to Question 2 that a "voluntary" claim amendment can trigger prosecution history estoppel and should be treated the same as claim amendments made in response to a patent examiner's rejection. *Id.* at 3a-4a, 11a-13a. In response to Question 3, the court concluded that, when a claim amendment gives rise to prosecution history estoppel, the amendment acts as a "complete bar" and precludes any invocation of the doctrine of equivalents for the amended portion of the claim. *Id.* at 4a, 13a-30a. In response to Question 4, the court ruled that "unexplained" amendments likewise are not entitled to any range of equivalents. *Id.* at 4a, 31a. The court declined to decide Question 5, which asked whether a judgment of infringement in this case would violate the "all elements" rule established in *Warner-Jenkinson*, because its resolution of the prior questions, when applied to the facts of this case, rendered the question moot. *Id.* at 4a, 31a-32a.

The court of appeals applied its legal determinations to the facts of this case and concluded that those determinations mandated reversal of the district court's decision. See Pet. App. 45a-56a. The court ruled that, because the relevant claim elements of the Stoll and Carroll patents were the product of amendments that narrowed the claims, and because Festo did not establish explanations for those amendments unrelated to patentability, the amendments gave rise to prosecution history estoppel, which completely bars the application of the doctrine of equivalents to the amended portions of those claims. *Id.* at 56a. Four judges dissented in part from that ruling, objecting principally

to the court's application of prosecution history estoppel as a "complete" bar to invocation of the doctrine of equivalents. See *id.* at 69a-70a (Michel, J.); *id.* at 111a-113a (Rader, J.); *id.* at 113a-114a (Linn, J.); *id.* at 131a-133a (Newman, J.).

SUMMARY OF ARGUMENT

This Court's decision in *Warner-Jenkinson Co.* v. *Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), describes the interplay between the doctrine of equivalents and prosecution history estoppel. That decision makes clear that the doctrine of equivalents plays a carefully circumscribed role in determining the scope of patent claims and that prosecution history estoppel remains an important limitation on the role of that doctrine. This case presents two important questions respecting prosecution history estoppel that *Warner-Jenkinson* did not expressly answer. They should be resolved by reference to that decision and its recognition of the central balance that must be struck between the public's need for clarity of patent coverage and the patent holder's need for fair protection from infringement.

A. The court of appeals correctly ruled that an amendment of a patent claim that narrows the scope of the claim for reasons of patentability gives rise to prosecution history estoppel with respect to the amended portion of that claim. That result follows from this Court's decision in *Warner-Jenkinson*, which reaffirmed the longstanding principle that a patent applicant who narrows the initial claims and effectively surrenders subject matter as a condition for obtaining a patent implicitly disclaims any right to a patent for the subject matter that was surrendered. Nevertheless, a court must carefully analyze the claim amendment in

the context of the alleged infringement to ensure that the amendment does indeed manifest a narrowing of the claim that surrenders relevant subject matter. A court should apply prosecution history estoppel only if the particular terms of the amendment narrow the relevant claim in that manner.

B. The court of appeals erred in ruling that a patent claim amendment that gives rise to prosecution history estoppel completely bars invocation of the doctrine of equivalents for the amended portion of the claim. The court concluded that its prior approach to prosecution history estoppel, which applied a "flexible bar," was unworkable because it did not provide certainty with respect to the scope of patent protection. While that prior approach was unsatisfactory, the court's "complete bar" does not comport with this Court's measured perspective in *Warner-Jenkinson* and fails to strike a sound balance between certainty of patent scope and fair protection of patent rights. In keeping with its approach in *Warner-Jenkinson*, this Court should hold the patent holder subject to a presumption that narrowing amendments preserved no range of equivalents. The patent holder could overcome that presumption by showing a concrete basis, based on the patent prosecution record and relevant to the specific context of the infringement suit, for extending the amended portion of the claim beyond its literal terms to encompass equivalent elements. That approach would substantially diminish the unacceptably high level of uncertainty that presently inheres in the application of prosecution history estoppel while fairly protecting the interests of patent holders.

C. Because the court of appeals erred in ruling that prosecution history estoppel completely bars the doctrine of equivalents for amended claims, the court's

judgment should be vacated and the case remanded for further proceedings. The court of appeals should remand the case to the district court for a determination of whether the patent claims were narrowed in a way that would lead to prosecution history estoppel. If so, the court should place the burden on the patent holder to overcome the presumption that the literal terms of the relevant claim elements describe the full scope of the patents.

ARGUMENT

THE COURT OF APPEALS CORRECTLY RULED THAT A PATENT CLAIM AMENDMENT THAT NARROWS THE SCOPE OF A CLAIM GIVES RISE TO PROSECUTION HISTORY ESTOPPEL, BUT THE COURT ERRED IN HOLDING THAT PROSECUTION HISTORY ESTOPPEL COMPLETELY PRECLUDES APPLICATION OF THE DOCTRINE OF EQUIVALENTS

This Court's decision in *Warner-Jenkinson Co.* v. *Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), has greatly clarified the role of the doctrine of equivalents in patent infringement suits. The Court has made clear that the scope of a patent is controlled primarily by the "statutory claiming requirement" of the patent laws, see 35 U.S.C. 112, which requires the patent applicant to set out with precision the claim limitations that define the scope of the invention. See 520 U.S. at 28-30. The patent claims, which serve both "definitional and public-notice" functions, *id.* at 29, establish the critical dimensions of a patent's protection. The doctrine of equivalents plays a strictly confined role in ascertaining those dimensions in response to a claim of infringement. The doctrine—which takes into account that the limits of language may result in unavoidably imprecise patent

claims and that the patent owner is entitled to protection from infringement by products that differ only through insubstantial deviations from the patent's verbal formulation—provides the patent holder with a limited measure of protection beyond the patent's literal terms. See *id.* at 28-29, 40.

Warner-Jenkinson has also clarified the relationship between the doctrine of equivalents and the concept of prosecution history estoppel. Prosecution history estoppel, a judge-made principle that recognizes that patent claim amendments frequently result in a diminishment of the patent's scope, remains an important limitation on the doctrine of equivalents. 520 U.S. at 30, 33-34. But the Court made clear that the reason for the amendment is central to the estoppel analysis. *Id.* at 30-31, 32. "Mindful that claims do indeed serve both a definitional and a notice function," the Court "place[d] the burden on the patent holder to establish the reason for an amendment required during patent prosecution." *Id.* at 33. If the patent holder fails to come forward with a reason for amending an element of the claim, then the district court "should presume that the patent applicant had a substantial reason related to patentability for including the limiting element" and "prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Ibid.*

This case presents two questions that *Warner-Jenkinson* did not explicitly decide: (1) whether an amendment of a patent claim that narrows the scope of the claim for any reason related to the statutory requirements for a patent gives rise to prosecution history estoppel with respect to the amended portion of the claim; and (2) whether a patent claim amendment that gives rise to prosecution history estoppel completely precludes invocation of the doctrine of equivalents for

the amended portion of the claim. The en banc court of appeals answered each of those questions affirmatively.

We submit that the starting point of the analysis should be *Warner-Jenkinson*, which marks this Court's baseline for ascertaining the relationship between the doctrine of equivalents and prosecution history estoppel. That decision recognizes the continued vitality of a properly limited doctrine of equivalents, 520 U.S. at 21, but emphasizes the "definitional and public-notice functions of the statutory claiming requirement," *id.* at 29, and the important role that the PTO's patent prosecution process plays in ensuring that the patent claims are stated with precision and limited to properly patentable subject matter, *id.* at 33-34. The analysis should take account of the central tension in patent law between the public's need for clarity of patent coverage, both to avoid trespassing on patent holders' rights and to spur innovations, and the patent holder's need for fair protection from infringement by products that differ only insubstantially from the patented invention. See, *e.g.*, Donald Chisum, *The Scope Of Protection For Patents After The Supreme Court's Warner-Jenkinson Decision: The Fair Protection-Certainty Conundrum*, 14 Santa Clara Computer & High Tech. L.J. 1 (1998).

A. An Amendment Of A Patent Claim That Narrows The Scope Of A Claim For Reasons Related To The Statutory Requirements For A Patent Gives Rise To Prosecution History Estoppel With Respect To The Amended Portion Of The Claim

The court of appeals correctly concluded that "a narrowing amendment made for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element." Pet. App. 9a. The court's

ruling is consistent with *Warner-Jenkinson* and rests on familiar principles of patent law.

1. *Warner-Jenkinson* rejected the argument that "any surrender of subject matter during patent prosecution, regardless of the reason for such surrender, precludes recapturing any part of that subject matter, even if it is equivalent to the matter expressly claimed." 520 U.S. at 30. Rather, a district court faced with an assertion of prosecution history estoppel in an infringement suit must examine "the reason for an amendment." *Ibid.* The Court indicated that prosecution history estoppel most commonly arises as a result of "amendments made to avoid the prior art," *ibid.*, a reason that invariably gives rise to prosecution history estoppel. See, *e.g.*, *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 U.S. 126, 136 (1942); *Keystone Driller Co.* v. *Northwest Eng'g Corp.*, 294 U.S. 42, 48 (1935); *Smith* v. *Magic City Kennel Club, Inc.*, 282 U.S. 784, 789-790 (1931). The Court further noted that prosecution history estoppel also arises from amendments made to address a specific concern "that arguably would have rendered the claimed subject matter unpatentable." *Warner-Jenkinson*, 520 U.S. at 30-31. See *Crawford* v. *Heysinger*, 123 U.S. 589, 606 (1887) (applying prosecution history estoppel to amendments made in response to operability rejections).[1]

[1] The Court relied primarily on its own precedent to reject the argument that prosecution history estoppel applies without regard to the reason for an amendment. See *Warner-Jenkinson*, 520 U.S. at 30-31 & n.5. But the Court also noted that the focus on patentability is appropriate in light of patent policy and practice. The Court stated that there is "no substantial cause for requiring a more rigid rule," *id.* at 32, noting that the PTO may have relied upon a more "flexible" approach and that altering current practice "could very well subvert the various balances the PTO sought to strike when issuing the numerous patents which have not yet expired," *id.* at 32 n.6.

That conclusion has compelling force. A patent applicant who narrows the initial claims and effectively surrenders subject matter as a condition for obtaining a patent implicitly disclaims any right to a patent for the subject matter that was surrendered. See, *e.g.*, *Exhibit Supply*, 315 U.S. at 136; *Cybor Corp.* v. *FAS Techs., Inc.*, 138 F.3d 1448, 1460 (Fed. Cir. 1998) (en banc). As the court of appeals explained, it should not matter whether the impetus was a prior art rejection or some other patent law requirement. Pet. App. 9a-11a. In either situation, the patent applicant, who presumably seeks the broadest patent possible, has effectively made a public disclaimer of the surrendered subject matter in exchange for the patent. Prosecution history estoppel simply implements the predictable consequence that the applicant's patent rights are commensurately limited. The court of appeals was accordingly correct in concluding that a claim amendment gives rise to prosecution history estoppel whenever "the patent applicant had a substantial reason related to patentability for including the limiting element added by amendment." *Warner-Jenkinson*, 520 U.S. at 33.

2. This Court's decision in *Warner-Jenkinson* indicates that discerning analysis is nevertheless necessary when applying the court of appeals' ruling. An amendment, even one related to patentability, "does not necessarily preclude infringement by equivalents of that element." 520 U.S. at 33. As the court of appeals' post-*Festo* decisions emphasize, a claim amendment does not give rise to prosecution history estoppel unless it manifests a *narrowing* of the patent claim that surrenders relevant subject matter. See, *e.g.*, *Turbo-*

care Div. v. *General Elec. Co.*, No. 00-1349 (Fed. Cir. Aug. 29, 2001), slip op. 24-25; *Lockheed Martin Corp.* v. *Space Sys./Loral, Inc.*, 249 F.3d 1314, 1326 (Fed. Cir. 2001); *Litton Sys., Inc.* v. *Honeywell Inc.*, 238 F.3d 1376, 1380 (Fed. Cir.), petition for cert. pending, No. 00-1617 (filed Apr. 23, 2001).[2]

Patent applicants may amend their patent claims for reasons of patentability—such as to clarify an ambiguous term—that do not result in narrowing the claims and surrendering subject matter. Rather, the amendments may state the same—or broader—patent claims in more precise terms. For example, an applicant may amend by rewriting a dependent claim as an independent claim. See *Honeywell Int'l Inc.* v. *Hamilton Sundstrand Corp.*, No. Civ. A. 99-309 GMS, 2001 WL 66348, at *6 (D. Del. Jan. 8, 2001) (citing *Festo*). Such amendments do not give rise to prosecution history estoppel, which has as its core functions "preserving the notice function of the claims and preventing patent holders from recapturing under the doctrine of equiva-

[2] See also *Graco Children's Prods., Inc.* v. *Regalo Int'l, LLC*, No. 97-CV-6885, 2001 WL 392886, at *3-*4 (E.D. Pa. Apr. 17, 2001) (adding language to a claim that merely restated a limitation that was already present did not give rise to prosecution history estoppel because it did not narrow the scope of the claim); *SRAM Corp.* v. *AD-II Eng'g, Inc.*, No. 00 C 6675, 2001 WL 817857, at *10 (N.D. Ill. July 9, 2001) (an amendment to the patent specification, but not the patent claims, that overcame a rejection for indefiniteness by supplying the antecedent basis for a claim limitation did not trigger prosecution history estoppel because it did not narrow the scope of the patent claim); see also *TM Patents, LLP* v. *IBM Corp.*, 136 F. Supp. 2d 209, 217 (S.D.N.Y. 2001) ("*Festo*, by its terms, applies only to amendments that *narrow* the scope of patent claims."); *Pickholtz* v. *Rainbow Techs., Inc.*, 125 F. Supp. 2d 1156, 1161 (N.D. Cal. 2000) ("the court must consider whether the amendments 'narrowed the literal scope of the claim'").

lents subject matter that was surrendered before the Patent Office." Pet. App. 11a. Patent applicants should not be deterred by the specter of prosecution history estoppel from making amendments that preserve the claimed subject matter but state their claims more precisely and thereby enhance the notice function of the patent claims. Thus, even if a patent claim is amended for reasons of patentability, a court should apply prosecution history estoppel only if the particular terms of the amendment narrow the relevant claim.[3]

B. An Amendment Of A Patent Claim That Gives Rise To Prosecution History Estoppel Presumptively Precludes Invocation Of The Doctrine Of Equivalents For The Amended Portion Of The Claim

The court of appeals' conclusion that a narrowing amendment related to patentability gives rise to prosecution history estoppel leads directly to the ques-

[3] Patent law requires a similar inquiry when a patent holder seeks reissuance of a patent. See 35 U.S.C. 252 para. 1 (1994 & Supp. V 1999); see also Pet. App. 76a-77a (Michel, J., dissenting in part). In that situation, the issue is whether a modification of claim language in the reissuance application actually changes the substantive scope of a claim limitation so as to "recapture" subject matter surrendered at the time of the original issuance. See *Leggett* v. *Avery*, 101 U.S. 256, 260 (1880). The recapture inquiry and the question whether a claim amendment gives rise to prosecution history estoppel are analogous in that both look to and depend upon the same basic inquiry—whether a patentee surrendered subject matter during patent prosecution. See, *e.g.*, *Hester Indus., Inc.* v. *Stein, Inc.*, 142 F.3d 1472, 1480-1483 (Fed. Cir.) (comparing the breadth and scope of original and amended claim limitations), cert. denied, 525 U.S. 947 (1998); see also *Seattle Box Co.* v. *Industrial Crating & Packing, Inc.*, 731 F.2d 818, 827-828 (Fed. Cir. 1984) (determining whether reissue claims have the same substantive scope as original claims so that there is liability for pre-reissue activities).

tion of what effect the estoppel has in the infringement proceeding. The court of appeals concluded, as to that question, that "[w]hen a claim amendment creates prosecution history estoppel with regard to a claim element, there is no range of equivalents available for the amended claim element." Pet. App. 13a-14a. Under the court's ruling, "[a]pplication of the doctrine of equivalents to the claim element is completely barred." *Id.* at 14a. In this respect, it is our view that the court's ruling goes too far.

1. The court of appeals based its decision to impose a "complete bar" largely on "its special expertise" in resolving judicially created rules of patent law and reconciling conflicts among its own decisions. Pet. App. 19a, 24a. The court detected two lines of authority among its precedents. In its view, decisions such as *Hughes Aircraft Co.* v. *United States*, 717 F.2d 1351 (Fed. Cir. 1983), treated prosecution history estoppel as imposing a "flexible bar" on the range of equivalents "within a spectrum ranging from great to small to zero," *id.* at 1363. Pet. App. 19a. But, according to the court, decisions such as *Kinzenbaw* v. *Deere & Co.*, 741 F.2d 383 (Fed. Cir. 1984), cert. denied, 470 U.S. 1004 (1985), treated prosecution history estoppel as a "complete bar" that precluded the "speculative inquiry" of whether a narrowing amendment has preserved a range of equivalents beyond its literal terms, *id.* at 389. Pet. App. 20a-21a. See *id.* at 21a-24a (discussing commentary on the allegedly contradictory lines of authority); but see *id.* at 91a-93a (Michel, J., dissenting in part) (disputing whether there are contradictory lines of authority); *id.* at 129a (Linn, J., dissenting in part) (same).

The court of appeals concluded that the flexible bar had proved "unworkable" because it does not provide

"certainty as to the scope of patent protection." Pet. App. 24a-25a. According to that court, a flexible bar leaves the public, the patent holder, and competitors unable to predict until completion of the infringement suit "where the line of surrender is drawn," *id.* at 25a, and fails "to enforce the disclaimer effect of a narrowing claim amendment," *id.* at 26a. A complete bar, by contrast, "provides the public and the patentee with definite notice as to the scope of the claimed invention," *id.* at 28a, and allows competitors to improve and "design around" the claimed invention "without being inhibited by the threat of a lawsuit" from developing new innovations, *id.* at 30a. The court additionally noted that a complete bar "reins in the doctrine of equivalents" and "reduces the conflict and tension between the patent protection afforded by the doctrine of equivalents and the public's ability to ascertain the scope of a patent." *Ibid.*

2. The policy concerns that led the court of appeals to adopt its "complete bar" are substantial. The United States unsuccessfully petitioned for a writ of certiorari in *Hughes Aircraft Co.* v. *United States*, 140 F.3d 1470, reh'g denied over dissents, 148 F.3d 1384 (Fed. Cir. 1998), cert. denied, 525 U.S. 1177 (1999), after a divided court of appeals subjected the government to an infringement judgment of more than $100 million based on that court's pre-*Festo* conception of prosecution history estoppel. As explained in that petition, the court's estoppel analysis "failed to recognize what [the applicant] had surrendered when amending his patent claim in response to prior art." See Pet. at 16, *United States* v. *Hughes Aircraft Co.*, cert. denied, 525 U.S. 1177 (1999) (No. 98-871).

While the court's pre-*Festo* practice did not sufficiently confine the doctrine of equivalents, the court's

adoption of a complete-bar rule fails to strike the right balance between the public interest in certainty of patent scope and the patent holder's interest in the fair protection of the patent right. This Court's conclusion in *Warner-Jenkinson* that the doctrine of equivalents retains vitality necessarily requires that the courts make an accommodation between those competing interests. That decision counsels in favor of imposing estoppel more rigorously, but it counsels against applying prosecution history estoppel as a rigid and potentially unfair rule that would completely preclude resort to the doctrine of equivalents for amended patent claims.

First, *Warner-Jenkinson* indicates that a primary constraint on the doctrine of equivalents should involve analytic discipline by the courts when conducting the fact-specific inquiry into whether two products or processes are equivalent. See 520 U.S. at 28-29. The Court adopted the all-elements test for precisely that reason, *id.* at 29, and it further emphasized that the "focus on individual elements and a special vigilance against allowing the concept of equivalence to eliminate completely any such elements" are the appropriate means for confining the doctrine to its proper sphere, *id.* at 40. In effect, *Warner-Jenkinson* directs lower courts to construe equivalents as narrowly as necessary, on a case-by-case basis, to preserve "the definitional and public-notice functions of the statutory claiming requirement." *Id.* at 29; see also *id.* at 29-30.

Second, *Warner-Jenkinson* refused to adopt a similarly "rigid" rule for assessing prosecution history estoppel, notwithstanding the clarity such a rule might impart, because it would have the effect of substantially undermining the stability of the PTO's patent prosecution process. See 520 U.S. at 32 & n.6. The "complete

bar" rule would have a similar effect. The holders of the "numerous patents which have not yet expired," *id.* at 32 n.6—most of which contain amended claims—are properly charged with knowledge that narrowing amendments would give rise to prosecution history estoppel, but they could not have anticipated that those amendments would necessarily result in an absolute bar to any range of equivalents. See Pet. App. 110a (Michel, J., dissenting in part); *id.* at 113a (Linn, J., dissenting in part). At the same time, current and future applicants could be rendered reluctant to amend claims in pending applications for fear of eliminating protection against equivalents. That consequence would not only discourage the give-and-take between the PTO patent examiners and applicants that leads to more refined claims, see *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989), but it would also substantially diminish the future effectiveness of the court's complete bar in "rein[ing] in the doctrine of equivalents," Pet. App. 30a. See *id.* at 108a-110a (Michel, J., dissenting in part); *id.* at 120a-121a (Linn, J., dissenting in part). Hence, the disadvantages that the Court in *Warner-Jenkinson* discerned with a "rigid rule" are also present here. There is, in short, a logical limit to how much baggage the question whether or not there has been an amendment can be expected to carry in preventing the doctrine of equivalents from "tak[ing] on a life of its own." *Warner-Jenkinson*, 520 U.S. at 28-29.

Third, *Warner-Jenkinson* makes clear that the concept of prosecution history estoppel, even when applied in the most common context of determining the effect of amendments designed to avoid prior art, may require some inquiry into the record to determine what range of equivalents is precluded. The Court specifically pointed out that, in the case of such amendments, a

court may permissibly consider "the manner in which the amendment addressed and avoided the objection." 520 U.S. at 33 n.7. This Court's past decisions likewise acknowledge the relevance of such an inquiry. See Pet. App. 78a-84a (Michel, J., dissenting in part) (discussing *Goodyear Dental Vulcanite Co.* v. *Davis*, 102 U.S. 222 (1880), and *Hurlbut* v. *Schillinger*, 130 U.S. 456 (1889)). The court of appeals' holding that a narrowing amendment related to patentability completely bars any equivalents would make that inquiry unnecessary.

3. This Court's decision in *Warner-Jenkinson* provides guidance on how to resolve the basic tension, common to the doctrine of equivalents and prosecution history estoppel, between the public's interest in certainty and the patent holder's interest in a fair scope of protection. That decision recognized the value of regulating the use of prosecution history estoppel through burdens of proof and presumptions that accurately reflect the consequences that patent holders and competitors should reasonably expect to result from claim amendment. See 520 U.S. at 33. The Court can likewise use those constructs to formulate a proper role for prosecution history estoppel that promotes the patent law's goal of providing certainty, without imposing an unduly rigid, and potentially draconian, rule.

In *Warner-Jenkinson*, the Court concluded that the patent holder bears the burden of "establish[ing] the reason for an amendment required during patent prosecution." 520 U.S. at 33. If the patent holder fails to establish the reason, the district court "should presume that the patent applicant had a substantial reason related to patentability" that "would bar the application of the doctrine of equivalents." *Ibid.* In this case, the Court can place a comparable burden on the patent

holder to demonstrate that the applicant's narrowing amendments preserved a range of equivalents that provide a basis for asserting infringement. In the absence of a concrete showing, based on the patent prosecution record and relevant to the specific context of the infringement suit, the district court should presume that, when the applicant narrowed its claims to obtain a patent, it limited those claims to their literal terms.[4]

The patent holder rightly should bear the burden of demonstrating that the claim amendments preserve the type of equivalents at issue because the patent laws themselves require the patent applicant to define claims with specificity, 35 U.S.C. 112, "not only to secure to him all to which he is entitled, but to apprise the public of what is still open to them." *McClain* v. *Ortmayer*, 141 U.S. 419, 424 (1891). It is "just and fair, both to the patentee and to the public," to expect that the patentee will "understand, and correctly describe, just what he has invented, and for what he claims a patent." *Merrill* v. *Yeomans*, 94 U.S. 568, 573-574 (1877). When a patent applicant is faced with a rejection, the conscientious applicant will focus attention on the precise consequences of a narrowing amendment. In that situation, the applicant, who "is master of his

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[4] This showing should focus on specific facts drawn from the intrinsic evidence reflected in the patent prosecution or the specific technology involved that would lead one of ordinary skill in the art at the time of the amendment to conclude that the asserted equivalent was not fairly within the subject matter surrendered. Extrinsic evidence, such as expert testimony, might be used to explain but not to contradict such intrinsic evidence. Cf. *Vitronics Corp.* v. *Conceptronic, Inc.*, 90 F.3d 1576, 1582-1583 (Fed. Cir. 1996) (recognizing that extrinsic evidence may not be used to derogate from public record in construing patent claims).

claims," Pet. App. 67a (Lourie, J., concurring), can be expected to give especially fastidious attention to carefully defining the scope of the amended claim. It is accordingly "just and fair" to place the burden on the patent holder to demonstrate that the claim amendments preserve the type of equivalents at issue in the infringement suit.

It is also "just and fair" to establish a presumption that the narrowing amendment states the exact limits of the patent claim. When a patent applicant is faced with a rejection, the applicant has a particularly powerful incentive to frame its narrowing amendment as expansively as possible and to avoid surrendering any more subject matter than necessary to secure the patent. Indeed, the Court has stated that, when a patent applicant submits a narrowing amendment to avoid prior art, the applicant by necessary implication disclaims the range of equivalents that falls between the original and the amended claims. See, *e.g.*, *Exhibit Supply*, 315 U.S. at 136. Thus, patent holders have long been on notice that they cannot assume, without considerable risk, that a narrowing amendment, made to overcome a patentability rejection, will embrace more than its literal terms. They must correspondingly draft their amendments with care.

The proposed presumption would preserve the full literal scope of the amended claim. A patent applicant who has made a narrowing amendment related to patentability can continue to claim infringement by a device that includes, for the amended element, a new element that falls outside of what the amendment surrendered. As this Court recognized in *Exhibit Supply*, a patent applicant that narrows claims in response to a prior art rejection "recognize[s] and emphasize[s] the difference between the [original language and the

amended language] and proclaim[s] his abandonment of *all that is embraced in that difference*." 315 U.S. at 136 (emphasis added). Hence, an applicant who wishes to describe a means for joining two pieces of wood, but wishes to avoid prior art disclosing glue and wooden pegs, might use the term "metal fasteners"—rather than "screws" or "nails"—to ensure literal coverage of the full range of metal fastening devices. An applicant does not surrender subject matter, including alternative means for accomplishing the same result, that careful drafting has preserved. See, *e.g.*, *ACLARA Biosciences, Inc.* v. *Caliper Techs. Corp.*, 125 F. Supp. 2d 391, 400-403 (N.D. Cal. 2000).

But the presumption would require the patent holder to show a concrete basis, based on the patent prosecution record and relevant to the specific context of the infringement suit, for a non-literal extension of a claim element that was narrowed to obtain a patent. This approach would have the advantage of promoting the certainty of scope that the court of appeals found lacking under its "flexible bar" jurisprudence. See Pet. App. 28a-30a. At the same time, it would prevent the injustice that could result from imposing a complete bar in certain exceptional situations where the preclusion of all equivalents would deny a patent holder a fair scope of protection. Two such situations are apparent.

First, a patent holder should be allowed to assert that an accused device infringes under the doctrine of equivalents if the court finds that the assertedly equivalent element is itself an innovation that was not known to persons of ordinary skill in the art at the time the applicant amended the claim. Prosecution history estoppel rests on the rationale that the applicant's claim amendment manifests a surrender of subject matter. But the applicant should not be charged with such a

surrender if the equivalent supposedly surrendered did not exist and was not reasonably within the contemplation of the PTO and the applicant at the time of the claim amendment. Rather, the patent holder should have the opportunity to establish that use of an innovation satisfies the conditions for equivalence. See Pet. App. 111a-113a (Rader, J., dissenting in part); cf. *Warner-Jenkinson*, 520 U.S. at 37 ("the proper time for evaluating equivalency—and thus knowledge of interchangeability between elements—is at the time of infringement, not at the time the patent was issued").

Second, a patent holder should be entitled to assert that an accused device infringes under the doctrine of equivalents if the court concludes that, owing to the nature of the subject matter at issue, it was not possible for one of ordinary skill in the art to draft a claim amendment that literally encompassed the allegedly equivalent element while disclaiming the surrendered subject matter. The doctrine of equivalents arose from concerns that the "unsparing logic" of literalism can deny the patent holder fair patent protection. *Royal Typewriter Co.* v. *Remington Rand, Inc.*, 168 F.2d 691, 692 (2d Cir.) (L. Hand, J.), cert. denied, 335 U.S. 825 (1948). The courts can properly insist that prosecution history estoppel requires applicants to draft claim amendments to encompass literally all the equivalents they wish to include. But there may be some instances in which the literal terms cannot reasonably describe all of the insubstantial substitutes that might be conceived for a particular element. In those instances, the doctrine of equivalents should be available to protect the patent holder from trivial or manifestly insubstantial changes that unambiguously deny the inventor "the benefit of his invention." *Graver Tank & Mfg. Co.* v. *Linde Air Prods. Co.*, 339 U.S. 605, 607 (1950).

The courts should exercise discipline in assessing assertions from patent holders that claim amendments could not have been crafted with greater precision, lest they invite wholesale return to the court of appeals' "flexible bar approach," which that court properly concluded is "unworkable." Pet. App. 25a. That inquiry should proceed as a matter of law. See *Markman* v. *Westview Instruments, Inc.*, 517 U.S. 370 (1996) (courts, rather than juries, construe patent claims). It is not likely to be burdensome because the courts have a ready benchmark for evaluating such claims. A court can compare the actual claim amendment against the alternative claim formulations that a person of ordinary skill in the art could have adopted to provide literal coverage of the alleged equivalent. Given the versatility of language, patent holders will face a substantial obstacle in overcoming the presumption that their narrowed claims encompass no more than they literally embrace. But that challenge would not be insurmountable if the technology is complex or the alleged distinctions are trivial. See Pet. App. 107a-108a (Michel, J., dissenting in part) (noting that certain fields, such as biotechnology, place particular demands on literalism in describing the scope of a claim).

Creating a presumption, rather than a complete bar, would not provide absolute certainty respecting the scope of an amended patent claim. But even strictly literal interpretations of claims give rise to questions of construction and, hence, even the court of appeals' complete bar cannot provide absolute certainty. The position that we urge can substantially diminish the unacceptably high level of uncertainty that presently inheres in the application of prosecution history estoppel but still fairly protect the interests of patent holders. Like the application of the doctrine of equiva-

lents itself, the application of the presumption would require courts to exercise judgment and discipline to ensure that the patent claims remain the primary source for determining the scope of patent protection. But that exercise of judgment is unavoidable under a system of patent laws that seeks to balance the public's need for clarity of patent coverage against the patent holder's need for fair protection from infringement.

C. The Court Of Appeals' Judgment Should Be Vacated And The Case Should Be Remanded To The District Court For Further Proceedings

The court of appeals concluded that, because the relevant claim elements of the Stoll and Carroll patents were the product of amendments that narrowed the claims, and because Festo did not establish explanations for those amendments unrelated to patentability, the amendments gave rise to prosecution history estoppel, which had the effect of completely barring application of the doctrine of equivalents to the amended portions of those claims. Pet. App. 56a. If the Court concludes that the court of appeals erred in categorically imposing a complete bar, that court's judgment should be vacated and the case should be remanded for further proceedings to determine what role, if any, the doctrine of equivalents should play in this infringement action.

Because the patent law landscape has changed considerably since the district court initially entered its judgment in 1994, and because further assessment of the facts may be necessary, the court of appeals should remand the case to the district court for reconsideration in the first instance. The initial inquiry on remand should be whether the relevant claims of the Stoll and Carroll patents were narrowed by amendment, in a

respect relevant to the alleged infringement, for reasons related to patentability. If so, then prosecution history estoppel applies and the district court should place the burden on Festo to show, from the patent prosecution record and the characteristics of the claimed infringement, that the presumption that the literal terms of the relevant claim elements describe the full scope of the patents is unwarranted. Festo may make such a showing, for example, by demonstrating that the allegedly equivalent elements are later-developed technologies that were not known to persons of ordinary skill in the art and were therefore not surrendered through the claim amendments. Or Festo may make such a showing by demonstrating that persons of ordinary skill in the art could not reasonably have drafted a patent claim that literally encompassed the allegedly equivalent elements.

CONCLUSION

The judgment of the court of appeals should be vacated and the case should be remanded for further proceedings consistent with the foregoing analysis.

Respectfully submitted.

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